

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 632 - SB 565

March 21, 2019

SUMMARY OF BILL: Beginning with the 2018-19 school year, authorizes a teacher to receive an “above expectations” overall performance effectiveness level for a particular school year under certain conditions when a decline in student growth data resulted in a teacher receiving an “at expectations” or below performance effectiveness level.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$62,000/FY19-20

Other Fiscal Impact – The proposed legislation may affect local education agencies’ strategic staffing and compensation plans, which may impose additional mandatory recurring expenditures on school districts.* Due to several unknown factors, the extent and timing of any such mandatory local impact cannot be reasonably determined.

Assumptions:

- The proposed legislation will allow a teacher-level choice that will affect a teacher’s overall performance effectiveness level.
- DOE will need to reconfigure TNCompass, the online platform that integrates educator evaluation and licensure information, to accommodate teacher-level decisions.
- Based on the actual costs from a 2017-18 TNCompass modification, the proposed legislation will result in a one-time increase in state expenditure of \$62,000 in FY19-20.
- Evaluation scores are used in many districts to inform human capital decisions per Tenn. Code Ann. § 49-1-302. The proposed legislation may affect districts’ strategic staffing and compensation plans and place additional burden on districts with a state-board approved salary schedule or performance-based compensation component; this may impose additional costs on districts, but due to multiple unknown factors, the precise timing and mandatory impact to local expenditures cannot be reasonably determined.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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